

NEW SOUTH WALES.

BUSINESS STATISTICS - 24th December, 1941.

The declaration of war in the Pacific still overshadows all other development. The difficulty of shipping primary produce is increased by the shortage of seamen in Australian ports. The Government is planning to reduce compulsorily the production of non-essential goods and to increase the use of women in industry. Work on A.R.P. shelters is held up by the scarcity of labour and material.

CONTENTS.

PART

I

<u>Season:</u>	Rain needed, especially in dairying districts.
<u>Export Prices and External Conditions:</u>	U.K. share prices. War risk rates. Stoppage of seamen's strikes in U.S.A. for duration of war. Continuation of Lease-Lend shipments.
<u>Currency Relationships:</u>	Dollar-sterling rate unchanged.
<u>Wool:</u>	U.S.A. prices and stocks. Increased demand in U.S.A.
<u>Wheat:</u>	Payment of joint advance for 1941/2 crop announced. Large carryover expected. Local demand strong. Reduction of price of wheat for stock feed. Overseas prices.
<u>Barley:</u>	Payment of first advance for 1941/2 crop announced. Large carry-over expected.
<u>Butter:</u>	Production high. Prices unchanged.
<u>Cheese:</u>	Government loans to dairy factories to enable extension of cheese production.
<u>Metals:</u>	London metal prices are unchanged.

PART

II

<u>Wholesale Trade:</u>	Sales September and Jan.-Sept., 1941.
<u>Retail Trade:</u>	Sales, Stock, Wages, No. of Employees, - increase October 1941 over October 1940, and Jan.-Oct., 1941 over Jan.-Oct. 1940.
<u>Savings Banks:</u>	Deposits November, 1941.

PART

III

<u>Employment:</u>	Figures based on state wages tax no longer available.
<u>Gas and Electricity:</u>	Index of consumption, Sydney and suburbs, November 1941.
<u>Building Permits.</u>	Permits to erect new buildings, excl. Government building, city and suburbs of Sydney, November 1941. Value of Government building contracts let in N.S.W., November, 1941.

BUSINESS STATISTICS - 24th December, 1941.

PART I. PRIMARY AND EXPORT INDUSTRIES.

SEASON. Dairying districts generally are suffering from lack of rain though the North Coast had good falls in November. In the South Coast area, pastures are drying rapidly and there is a shortage of water. Fodder reserves are low and farmers are buying feed. Maize, sorghum and other fodder crops have been badly affected by lack of rain. The Department of Agriculture reports that the harvest of clover and pasture plant seeds will be very poor, and N.S.W. will have to rely for supplies largely on Victoria where the season has been more favourable.

Owing to lack of spring rains surface water supplies are low in the west and summer lambing is likely to be poor.

EXPORT PRICES
AND EXTERNAL
CONDITIONS.

The Australian export price index compiled by the Commonwealth Bank (base 1927=100) rose slightly for November, 1941 to 83.3. For March to October, 1941 it was unchanged at 83. The slight rise for November was due to an increase in the prices of meat.

The Pacific War has not caused a general decline in London share prices. Rubber, tin and oil shares fell sharply, and Australian and New Zealand shares weakened, but most sections were fairly firm. War risk rates are rising sharply.

Share prices on the New York Stock Exchange fell further with news of continued Japanese progress in the Pacific.

Defence needs dominate internal conditions in U.S.A. The Maritime Commission announces that all seamen's and longshoremen's unions in U.S.A. have agreed not to strike while the war lasts; and President Roosevelt has met representatives of employers and employees in an attempt to reach a voluntary agreement to ban strikes and lock-outs during the war. The drive for increased production of aircraft continues. Automobile production has been limited to 25% of last year's output. Output in other industries is to be controlled.

The U.S.A. Secretary for War, Mr. H.T. Stinson, stated on December 11th that the U.S.A. Government would continue shipments to the Allies under the Lease-Lend Act, of material not immediately needed by the United States.

INTERNATIONAL
CURRENCY
RELATIONSHIPS.

The dollar-sterling rate is unchanged at \$4.0375 to £1.stg.

WOOL. Following the outbreak of war, U.S.A. prices for greasy wool futures showed net advances of 5 cents a lb. Wool top futures rose by 5 to 13 points. These rises were not maintained.

The "Journal of Commerce" states that 40% of U.S.A. production of wool textiles is now needed for military purposes and increased military demand may require almost the whole production of woollen goods for defence purposes. Even for cotton manufactures military requirements amount to 20% of production.

Stocks of wool in U.S.A. including the quantity held by the Defence Supplies Corporation, are estimated to be the equivalent of 1,800,000 bales of Australian weight. The stock of apparel wools at the end of September was more than 50% higher than at the end of September, 1940.

Wool appraisements for N.S.W. totalled 860,000 bales for the first half of the season, worth about £15,000,000 at the contract price.

WHEAT. The Minister for Commerce announced on 15th December, that payment of a first advance on the 1941/2 wheat crop would probably be made before the end of the year. The advance, totalling £21,000,000, would be at the rate of 3/- a bushel for bagged wheat, and 2/10 a bushel for bulk, both less freight. The rate is high because the second advance is likely to be delayed. Mr. Scully estimated that 142,000,000 bushels would be acquired this season, and the only certain market for the next twelve months was that for 32,000,000 bushels for human consumption in Australia.

/More.....

PART I (Continued)

More than 100,000,000 bushels would have to be stored because of shipping difficulties.

Demand for wheat for local produce trade continues to be strong, but wheat for export flour is not wanted.

The Marketing Board's estimate of the 1941/2 harvest ^{in NSW} is 45,900,000 bushels. Estimates by other authorities vary from 43,000,000 bushels to 48,000,000 bushels.

Chicago wheat futures fell between December 12th and 17th by $3\frac{5}{8}$ cents to $126\frac{1}{8}$ cents for May options. Winnipeg prices for May options fell from $78\frac{1}{2}$ cents to $77\frac{3}{4}$ cents. Prices for Canadian wheat on the Baltic exchange fell slightly, but prices for Argentine and Australian wheat were unchanged.

PRICES OF WHEAT IN NEW SOUTH WALES.
per bushel.

Shippers offers to 1938/39.

Prices for wheat for local flour from Dec., 1939.

	Season ended November.				November.		Dec. 19, 1941.
	Average 1931/35	1937	1939	1940	1940	1941	
	s d	s d	s d	s d	s d	s d.	s d.
Bulk wheat	2 9 $\frac{1}{2}$	5 3	2 5	3 10 $\frac{1}{2}$	3 11 $\frac{1}{4}$	3 11 $\frac{1}{4}$	3 11 $\frac{1}{4}$
Ex trucks, Sydney) Equiv. ex farm at) country siding x)	2 2 $\frac{1}{2}$	4 8	1 9 $\frac{1}{2}$	2 11	2 11	3 0 $\frac{1}{2}$ ¢	2 4 $\frac{1}{2}$ ¢

X Exclusive of bounty.

¢ Net equivalent of advances approved to date.

BARLEY. The first advance by the Commonwealth Government in payment for the 1941/2 crop will total £1,000,000 and will probably be paid this month. The advances will vary according to the grade of barley, the highest rate being 2/- a bushel and the lowest rate 9d. All advances are less 3 $\frac{1}{4}$ d. per bushel freight.

In addition to the amount of the advance, the Commonwealth Bank is being asked to provide £700,000 for expenses of administration of the barley pool, including storage charges and loss of grain from weevils.

The Minister of Commerce stated that a substantial loss was expected on the operation of the pool. The crop had been a record and it was unlikely that much of the surplus could be exported.

BUTTER. Despite low rainfall, the production of butter in N.S.W. is still increasing seasonally though not in all districts. The production of cheese has not expanded.

Butter prices remain unchanged at 137/2 per cwt. f.o.b. Aus. port for export under British contract, and 158/8 per cwt. wholesale for home consumption.

CHEESE: This year Britain decreased her order for butter from 100,000 tons to 57,000 tons. At the same time she increased her order for cheese from 20,000 tons to 40,000 tons - roughly four times Australia's annual export before the war. To encourage increased cheese production to fill this order the Commonwealth Government has guaranteed loans of £180,000 to 45 dairy factories. (including only £5,796 to one company in N.S.W.) For the most part these loans are to extend existing cheese factories, but some are to finance conversion of butter factories to cheese production.

METALS. Metal prices as fixed by the British Ministry of Supply remain unchanged:

/PRICES.....

PART I (Continued)

PRICES PER TON (duty paid) DELIVERED TO BUYER.

	£.	s.	d.
Copper (electrolytic)	62	0	0
Lead (foreign)	25	0	0
Spelter	25	15	0
Tin (standard)	259	10	0

The London price of silver is $1/11\frac{1}{2}$ per oz. It has remained unchanged since the end of August, 1941.

PART II FINANCE AND TRADE.

WHOLESALE TRADE. The outbreak of war with Japan increased orders from warehouses for imported lines. No falling off in trade is reported. There has been a heavy demand for air raid and blackout materials.

Figures of value of sales by traders registered under Sales Tax Acts, show an increase over last year for every month of 1941 except January. Total sales for Jan/Sept. 1941 were 14% higher than for Jan/Sept. 1940.

WHOLESALE TRADE N.S.W.

TOTAL TAXABLE AND EXEMPT GOODS.

Month.	1935.	1940.	1941.
	£m.	£m.	£m.
Jan.	10.9	16.3	15.8
Feb.	10.8	14.6	17.5
Mar.	12.4	17.0	17.4
Apr.	12.0	17.9	19.1
May.	13.1	14.9	18.8
June	11.6	17.1	21.8
July	12.2	16.7	17.6
Aug.	13.5	17.2	20.4
Sept.	12.8	17.5	21.6
Oct.	14.7	18.5	
Nov.	13.2	18.1	
Dec.	14.0	17.0	
Total	151.2	202.8	

WHOLESALE TRADE N.S.W.

TOTAL TAXABLE AND EXEMPT GOODS.

Year.	Month of September.	Nine months January to September.
	£m.	£m.
1937	16.28	140.84
1938	17.45	143.37
1939	19.44	145.22
1940	17.48	149.13
1941	21.60	169.93

RETAIL TRADE. Returns collected from a group of large city stores, show an increase of 18.1% in the value of sales in October 1941 as compared with October 1940. For the ten months Jan/Oct. 1941 there was an increase in sales of 16.9% over Jan/Oct. 1940.

The value of stock at the end of October 1941 was 13.9% higher than at the end of October 1940, but the average stock held Jan/Oct. 1941 shows a smaller increase (5.8%) over the corresponding period of 1940.

Wages paid and number employed in October 1941 were respectively 12.6% and 6.9% higher than in October, 1940.

/Table.....

PART II (Continued)

RETAIL TRADE - N.S.W.

Compiled from returns of a group of city stores, by the Retail Traders' Association of N.S.W. in conjunction with the Commonwealth Bank.

	Increase of October 1941 over October 1940.	Increase of Jan/Oct. 1941 over Jan/Oct. 1940.
	%	%
Value of Net Sales	+ 18.1	+ 16.9
Value of Stock.	+ 13.9	+ 5.8
Wages and Salaries paid.	+ 12.6	+ 8.7
No. of Employees	+ 6.9	+ 3.9

SAVINGS BANKS. Savings Bank Deposits in N.S.W. continue to rise. At the end of November 1941 they were £91,499,345. This compares with £91,313,614 at the end of October 1941, £84,568,163 in October 1940, and £86,751,263 in October 1939.

INCREASE IN SAVINGS BANK DEPOSITS AND PURCHASE OF WAR SAVINGS CERTIFICATES
IN N.S.W.

	1 9 4 1.				
	July.	Aug.	Sept.	Oct.	Nov.
	£000	£000	£000	£000	£000
Increase in Savings Bank Deposits	772	1,194	1,018	580	186
War Savings Certificates ϕ	299	196	173	149	
Total	1,071	1,390	1,191	729	

ϕ Purchases (at cost) less repayments.

PART III - INDUSTRIES.

EMPLOYMENT, N.S.W. Owing to the discontinuance of the State wages tax, figures of employment computed from these returns are no longer available. Records based on the Commonwealth payroll tax are not yet ready for publication. Particulars of employment as at the mid-week of October 1941 were given in "Business Statistics" 1941/11C pages 6-8.

GAS AND ELECTRICITY. Sydney consumption of gas and electricity in November, 1941 was 9.3% higher than November, 1940.

INDEX OF CONSUMPTION OF GAS AND ELECTRICITYSYDNEY AND SUBURBS.

Base: Average corresponding month 1929-31= 100.

Year.	Month of November.	Whole Year.
1929	109	105
1932	96	96
1938	124	123
1939	136	131
1940	139	135
1941	152	

BUILDING PERMITS. The value of private building permits in the city and suburbs of Sydney, is beginning to decline. The Building Control regulations under the National Security Act were made more restrictive in June 1941 and again in September 1941. High prices and shortages of material may have contributed to the decline. Permits for private dwellings for both October and November were lower than for any month of 1941 except January.

PERMITS TO ERECT NEW BUILDINGS, ADDITIONS, ETC.
(excl. Govt. building)

CITY AND SUBURBS OF SYDNEY.

	Year	Month of November.
	£000	£000
1937	11,260	1,129
1938	14,042	1,325
1939	12,219	797
1940	11,718	1,284
1941	£ 10,290	809

£ Total 11 months Jan-Nov. only.

VALUE OF STATE AND COMMONWEALTH GOVERNMENT BUILDING CONTRACTS LET IN NEW SOUTH WALES.
(Excluding buildings by local government bodies).

	Value of New Buildings and Additions.		
	Sydney and Suburbs.	Remainder of State.	Total New South Wales.
	£000	£000	£000
Year 1939/40	1,053	1,537	2,590
Year 1940/41	1,271	2,501	3,773
Nov. 1940	111	117	228
Nov. 1941	97	212	315

/Analysis.....

PART III (Continued)

Analysis of the figures for building permits shows a decrease for the period Jan.-Nov.1941 as compared with Jan.-Nov. 1940, only for hotels, guest houses, shops and a miscellaneous group. Building permits for dwelling houses for Jan.-Nov. 1941 are substantially greater than for the corresponding period in 1939 and 1940.

VALUE OF BUILDING PERMITS GRANTED - SYDNEY AND SUBURBS.

Period.	Houses		Flats (a)	Hotels, Guest Houses.	Shops (b)	Factories (c)	Other Buildings.	Total
	Brick etc.	Wood, Fibro.						
	£000	£000	£000	£000	£000	£000	£000	£000
November, 1939	344	70	176	30	38	76	63	797
" 1940	446	58	228	61	76	218	197	1,284
" 1941	464	80	149	2	8	83	22	809
Jan.-Nov., 1939	4,223	880	2,686	449	492	1,265	1,623	11,618
1940	4,373	840	2,014	595	353	1,018	1,071	10,264
1941	5,471	915	2,127	43	186	1,069	496	10,308

Including (a) conversions to flats (b) shops with dwellings and
(c) public garages.